



# **Funding Public Higher Education in Indiana: Context, Method, Possibilities**

Indiana Commission for Higher  
Education

Mike Baumgartner July 2, 2003

# Funding Public Higher Ed

- Context

- As a Portion of State Expenditures
- State Appropriations
- State vs. Student Share
- National and Regional Context

- Method

- University Operating
- Line Items
- Student Aid
- Capital

- Beyond FY03

- 2003-05 Higher Education Budget
- Current Fiscal Climate and Tuition Pressures





# Context: Hi Ed Portion of State Expend.

		<u>STATE</u>	<u>K-12</u>	<u>HI ED</u>	<u>SHARE</u>	
		<u>TOTAL</u>	<u>TOTAL</u>	<u>TOTAL</u>	<u>K-12</u>	<u>H.E.</u>
1984-85	Actual	3,882	1,672	596	43.1%	15.3%
1989-90	Actual	5,364	2,314	899	43.1%	16.8%
1994-95	Actual	6,677	2,897	1,022	43.4%	15.3%
1999-00	Actual	9,509	3,899	1,400	41.0%	14.7%
2000-01	Actual	10,059	4,161	1,447	41.4%	14.4%
2001-02	Actual	9,708	3,878	1,318	40.0%	13.6%
2002-03	Estim.	10,914	4,219	1,404	38.7%	12.9%
2003-04	Approp.	11,281	4,242	1,490	37.6%	13.2%
2004-05	Approp.	11,506	4,291	1,543	37.3%	13.4%

## CHANGES THROUGH 2004-05

2-Year	5.4%	1.7%	9.9%
5-Year	21.0%	10.0%	10.2%
10-Year	72.3%	48.1%	51.0%
20-Year	196.4%	156.6%	159.0%

*SOURCE: Indiana State Budget Agency. "As Passed" and "As Submitted" Biennial Budget Books.*



# Context: Increases in State Expenditures 1984-85 to 2004-05

General Government	148.6%
Public Safety	337.1%
Conservation & the Environment	153.5%
Economic Development	118.0%
Transportation	-97.4%
Health and Human Services	209.2%
Higher Education	159.0%
Elementary/Secondary Education	156.6%
Education - Other	55.2%
PTR/Homestead Credit	390.1%
<b>Total GF and PTRF</b>	<b>196.4%</b>

*Source: Indiana State Budget Agency*





# Context: Hi Ed Operating Appropriations

(\$ in thousands)

	<u>University Operating</u>	<u>University Line Items</u>	<u>Fee Replace</u>	<u>SSACI Programs</u>	<u>Other Programs</u>	<u>OPERATING TOTAL</u>
1984-85	497,342.7	18,946.0	34,488.0	24,300.9	5,219.7	580,297.4
1989-90	743,321.4	15,649.7	64,017.9	42,867.6	12,184.8	878,041.4
1994-95	824,586.5	25,365.1	79,400.9	60,491.2	13,063.3	1,002,907.0
1999-00	1,025,421.6	37,903.3	104,776.0	103,733.4	18,656.7	1,290,491.0
2000-01	1,063,860.3	39,701.2	106,549.9	118,785.8	19,888.3	1,348,785.5
2001-02	1,091,999.1	39,960.4	118,691.4	139,346.2	20,884.9	1,410,882.0
2002-03	1,088,743.6	40,151.9	113,409.9	147,939.3	20,844.9	1,411,089.5
2003-04	1,138,601.5	37,674.8	114,082.1	168,563.9	15,472.7	1,474,395.1
2004-05	1,176,072.6	37,691.1	110,239.6	188,243.1	15,471.7	1,527,717.9

## CHANGES THROUGH 2004-05

2-Year	8.0%	-6.1%	-2.8%	27.2%	-25.8%	8.3%
5-Year	14.7%	-0.6%	5.2%	81.5%	-17.1%	18.4%
10-Year	42.6%	48.6%	38.8%	211.2%	18.4%	52.3%
20-Year	136.5%	98.9%	219.6%	674.6%	196.4%	163.3%



# Context: Appropriation per Resident FTE

(constant FY05 dollars)

	1992-93	1994-95	1996-97	1998-99	2000-01	2002-03	2004-05
IUB	9,119	8,651	9,066	9,041	8,803	8,621	8,431
IUPUI H	18,335	18,561	20,862	21,735	24,310	22,623	22,023
IUPUI GA	5,716	5,492	5,106	5,295	5,442	5,051	5,175
PUWL	10,615	10,294	10,236	10,076	10,396	10,374	10,291
ISU	9,757	9,682	9,928	9,664	9,585	9,066	8,735
USI	3,800	4,819	4,401	4,120	4,508	4,440	4,545
BSU	7,266	7,406	7,886	8,120	7,906	7,322	7,234
VU	3,986	4,438	5,217	5,521	5,346	4,393	4,699
ITSC	3,565	3,972	4,061	3,747	3,645	3,315	3,816
<b>ALL</b>	<b>6,986</b>	<b>7,108</b>	<b>7,299</b>	<b>7,251</b>	<b>7,147</b>	<b>6,621</b>	<b>6,664</b>





# Context: Appropriation per Resident FTE

(constant FY05 dollars)

	1992-93	1994-95	1996-97	1998-99	2000-01	2002-03	2004-05
IUE	3,322	4,399	5,144	5,332	5,303	4,526	4,583
IUK	4,128	5,331	5,921	6,117	6,097	5,596	5,395
IUN	3,935	4,767	5,266	5,700	5,855	5,304	4,961
IUSB	4,091	4,342	4,688	4,813	4,985	4,566	4,595
IUS	3,448	4,208	4,330	4,425	4,060	4,057	4,061
PUC	4,164	4,528	4,629	4,780	4,984	4,932	4,670
PUNC	3,907	4,132	4,413	4,256	4,400	4,176	4,155
IPFW	4,153	4,325	4,593	4,649	4,654	4,015	4,237
ALL	6,986	7,108	7,299	7,251	7,147	6,621	6,664



# Context: Expenditure per FTE

(constant FY03 dollars)

	1992-93	1994-95	1996-97	1998-99	2000-01	2002-03
IUB	10,944	11,256	11,935	12,566	12,622	13,491
IUPUI H	19,781	21,013	23,733	25,728	27,141	29,622
IUPUI GA	9,295	9,304	9,114	9,014	9,624	9,938
PUWL	11,273	11,572	11,980	12,059	12,493	13,713
ISU	11,186	11,398	11,872	11,858	11,637	11,335
USI	5,997	6,923	6,780	6,655	7,111	7,246
BSU	9,658	10,335	11,079	11,441	11,558	10,908
VU	6,212	6,699	7,366	7,906	7,300	6,133
ITSC	5,282	5,797	5,965	5,546	5,467	5,361
ALL	9,307	9,809	10,253	10,361	10,452	10,573





# Context: Expenditure per FTE

(constant FY03 dollars)

	<b>1992-93</b>	<b>1994-95</b>	<b>1996-97</b>	<b>1998-99</b>	<b>2000-01</b>	<b>2002-03</b>
IUE	6,069	7,371	8,210	8,444	8,376	7,950
IUK	7,024	8,466	9,197	9,342	9,237	9,190
IUN	6,515	7,622	8,266	8,925	9,142	8,873
IUSB	6,802	7,435	7,954	8,138	8,269	8,070
IUS	6,062	7,045	7,360	6,932	7,229	7,677
PUC	6,821	7,437	7,832	7,932	8,230	8,755
PUNC	6,501	6,993	7,489	7,335	7,661	8,146
IPFW	6,592	7,112	7,646	7,765	8,201	7,855
ALL	9,307	9,809	10,253	10,361	10,452	10,573



# Context: Resident Student Share

	<u>1992-93</u>	<u>1994-95</u>	<u>1996-97</u>	<u>1998-99</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
IU Bloomington	27.5%	30.5%	30.8%	34.0%	34.7%	36.7%	38.4%
IUPUI Indianapolis--Health	14.6%	18.5%	19.5%	19.7%	20.6%	21.7%	20.7%
IUPUI Indianapolis--GA	41.1%	43.2%	46.0%	46.2%	45.6%	49.3%	50.6%
PU West Lafayette *	23.7%	25.5%	27.2%	29.2%	29.2%	30.1%	32.2%
Indiana State U	22.5%	23.8%	24.2%	24.1%	24.4%	26.0%	26.8%
U of Southern Indiana	39.0%	35.9%	39.5%	41.2%	38.9%	39.6%	41.2%
Ball State U	31.0%	34.0%	34.2%	33.8%	36.2%	37.5%	37.5%
Vincennes U	38.8%	37.0%	33.4%	34.2%	32.0%	33.0%	32.8%
Ivy Tech State College	<u>36.1%</u>	<u>35.0%</u>	<u>35.4%</u>	<u>38.0%</u>	<u>37.0%</u>	<u>41.6%</u>	<u>41.3%</u>
Statewide	30.3%	32.1%	32.8%	34.2%	34.4%	36.6%	37.7%





# Context: All Student Share

	<u>1992-93</u>	<u>1994-95</u>	<u>1996-97</u>	<u>1998-99</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
IU Bloomington	48.9%	52.5%	53.3%	56.0%	57.9%	60.8%	61.6%
IUPU Indianapolis--Health	17.6%	21.7%	23.3%	23.5%	25.3%	26.7%	28.3%
IUPU Indianapolis--GA	42.8%	45.2%	48.3%	47.3%	48.7%	52.5%	53.1%
PU West Lafayette *	42.8%	45.9%	47.0%	48.5%	51.4%	53.5%	56.0%
Indiana State U	30.6%	32.2%	31.8%	31.1%	31.5%	33.3%	34.3%
U of Southern Indiana	41.6%	39.3%	42.9%	43.5%	43.0%	44.0%	45.7%
Ball State U	35.9%	39.1%	39.2%	39.0%	41.3%	42.7%	42.7%
Vincennes U	42.4%	40.6%	37.2%	37.8%	34.8%	35.2%	35.4%
Ivy Tech State College	<u>36.4%</u>	<u>35.5%</u>	<u>35.8%</u>	<u>36.6%</u>	<u>37.4%</u>	<u>42.0%</u>	<u>41.7%</u>
Statewide	40.6%	42.8%	43.6%	44.7%	46.3%	48.8%	50.1%



# Context: Tuition and Fees

	<u>1993-94</u>	<u>2003-04</u>		<u>Average</u>
	<u>Rate</u>	<u>10-yr Increase</u>	<u>Rate</u>	<u>Annual Increase</u>
<b>INDIANA UNIVERSITY</b>				
Bloomington				
University Division (most freshmen) 2003 Entry		110.2%	\$6,567	7.7%
Univ. Division Pre-2003 Entry	\$3,124	78.2%	\$5,567	5.9%
Business Majors 2003 Entry		135.2%	\$7,347	8.9%
Business Majors Pre-2003 Entry	\$3,124	103.2%	\$6,347	7.3%
Other Majors 2003 Entry		108.6%	\$6,517	7.6%
Pre-2003 Entry Other Majors	\$3,124	76.6%	\$5,517	5.9%
East 2003 Entry		91.9%	\$4,432	6.7%
Pre-2003 Entry	\$2,310	70.3%	\$3,933	5.5%
Kokomo 2003 Entry		93.7%	\$4,463	6.8%
Pre-2003 Entry	\$2,304	72.0%	\$3,963	5.6%
Northwest 2003 Entry		96.4%	\$4,537	7.0%
Pre-2003 Entry	\$2,310	74.8%	\$4,038	5.7%
South Bend 2003 Entry		92.0%	\$4,571	6.7%
Pre-2003 Entry	\$2,380	71.1%	\$4,071	5.5%
Southeast 2003 Entry		96.9%	\$4,504	7.0%
Pre-2003 Entry	\$2,287	75.1%	\$4,004	5.8%
IUPUI 2003 Entry		104.8%	\$5,703	7.4%
Pre-2003 Entry	\$2,784	76.1%	\$4,903	5.8%





# Context: Tuition and Fees

		<u>1993-94</u>	<u>2003-04</u>		<u>Average</u>
		<u>Rate</u>	<u>10-yr</u>	<u>Rate</u>	<u>Annual</u>
			<u>Increase</u>		<u>Increase</u>
PURDUE UNIVERSITY					
West Lafayette					
	Post-2002 Entry Engineering Majors		136.4%	\$6,372	9.0%
	Pre-2002 Entry Engineering Majors	\$2,696	97.3%	\$5,320	7.0%
	Post-2002 Entry Other Majors		117.4%	\$5,860	8.1%
	Pre-2002 Entry Other Majors	\$2,696	78.3%	\$4,808	6.0%
	Post-2002 Entry Management Majors		144.8%	\$6,600	9.4%
	Pre-2002 Entry Management Majors	\$2,696	108.0%	\$5,608	7.6%
Calumet					
	Post-2002 Entry		101.3%	\$4,611	7.2%
	Pre-2002 Entry	\$2,290	79.3%	\$4,107	6.0%
North Central					
	Post-2002 Entry		107.4%	\$4,712	7.6%
	Pre-2002 Entry	\$2,272	82.5%	\$4,146	6.2%
IUPU Ft. Wayne					
	Post-2002 Entry		121.1%	\$5,108	8.3%
	Pre-2002 Entry	\$2,310	97.9%	\$4,572	7.1%



# Context: Tuition and Fees

	<u>1993-94</u>	<u>2003-04</u>		<u>Average</u>
	<u>Rate</u>	<u>10-yr</u> <u>Increase</u>	<u>Rate</u>	<u>Annual</u> <u>Increase</u>
Indiana State University				
2003 Entry		106.8%	\$5,422	7.5%
Pre-2003 Entry	\$2,622	68.6%	\$4,422	5.4%
Univ. of Southern Indiana	\$2,060	88.6%	\$3,885	6.5%
Ball State University				
2003 Entry Lower Division		124.0%	\$5,950	8.4%
Pre-2003 Entry Lower Division	\$2,656	86.4%	\$4,950	6.4%
Pre-2003 Entry Upper Division		87.1%	\$4,970	6.5%
Vincennes University	\$2,055	53.8%	\$3,161	4.4%
Ivy Tech State College	\$1,613	47.4%	2,378	4.0%
CPI (fiscal year, 2003-04 est.)	146.2	27.8%	186.9	2.5%





# Context: Tuition and Fees--Independent

	<u>1993-94</u>	<u>2003-04</u>		Average Annual Increase
	<u>Rate</u>	<u>Rate</u>	<u>% Increase</u>	
University of Notre Dame	15,957	27,612	73.0%	5.6%
Rose-Hulman Institute	12,500	24,705	97.6%	7.1%
Earlham College	15,327	24,560	60.2%	4.8%
DePauw University	13,700	24,450	78.5%	6.0%
St. Mary's College	12,416	21,974	77.0%	5.9%
Wabash College	12,450	21,215	70.4%	5.5%
Butler University	12,396	21,210	71.1%	5.5%
<b>Median</b>	<b>9,560</b>	<b>17,040</b>	<b>78.2%</b>	<b>6.0%</b>
Bethel College	8,700	14,390	65.4%	5.2%
Grace College & Seminary	8,450	14,070	66.5%	5.2%
Oakland City College	7,026	12,000	70.8%	5.5%
Martin University	6,020	10,320	71.4%	5.5%
Holy Cross College	4,990	9,700	94.4%	6.9%
Calumet Col of St. Joseph	4,300	9,000	109.3%	7.7%
Ancilla College	2,461	7,850	219.0%	12.3%



# Context: National Context—System Enrollment

	Indiana	Peers	National
Research	50%	34%	29%
Doctoral	15%	9%	8%
Comp/Bach	21%	22%	26%
AA, AS	14%	35%	37%





## Context: National Context— Expenditures per FTE, 1999-00

	Indiana	Peers	National
Research	14,638	16,373	15,309
Doctoral	11,754	10,927	12,111
Comp/Bach	7,755	9,620	9,338
AA, AS	7,578	8,126	7,694



# Context: National Context— Appropriations per FTE, 1999-00

	Indiana	Peers	National
Research	7,875	9,084	9,503
Doctoral	8,112	5,594	6,835
Comp/Bach	5,067	5,342	5,699
AA, AS	4,741	4,965	5,185





# Method: University Operating

- Maintenance Base
- Base Adjustments
- Quality Improvement
- Tuition and Fees



# Method: University Operating

- Maintenance Base
  - Personal Services
    - wages, salaries, health, life, retirement, ss
  - Supplies and Expenses
    - general supplies, energy, utilities, insurance, equipment
  - Student Aid
    - statutory fee remissions, tuition waivers, scholarship and fellowships from GF





# Method: University Operating

- Base Adjustments
  - Enrollment Change
  - Plant Expansion
  - New Program
  - Research Support Adjustment
  - Equity Adjustment
  - Other



# Method: University Operating

- Quality Improvement
  - Technology Funding
  - Economic Development Programs
    - Informatics-IUB, IUSB, IUPUI
    - Biomedical Engineering-PUWL
    - NE IN Innovation Center-IPFW
    - Information Technology-ISU
    - Engineering Equipment and Program Needs-USI
    - Entrepreneurship and Community Development Planning Institute-BSU
    - Digital Communications-VU
    - Statewide ASN Expansion-ITSC





# Method: University Operating

- Tuition and Fees
  - Gross Fees
  - Academic Facility Fees
  - Restricted Fees
  - Gross Unrestricted Fees
  - Net Unrestricted Fees



# Method: University Operating

Budgeted Expenditures

– Gross Unrestricted Fees

= University Operating Appropriations





# Method: Line Items

What are they?

- Restricted use
- Research and public service
- Instructional-- nontraditional and distance niches
- Created by General Assembly to meet particular needs



# Method: Line Items

## Expenditures

- Personal Services
- Supplies and Expenses
- Distributions (grants, pass-through)
- Quality Improvement

## Revenues

- Federal and Dedicated Funds (often fees)
- Transfers
- State Appropriations (residual, like university operating appropriations)





# Method: Student Assistance

## Need-Based Programs

- Higher Education Grant (HEA/FOC)
- 21<sup>st</sup> Century Scholars
- College Work Study
- Part-Time Grant

## Special Programs

- Statutory Fee Remissions
- National Guard
- Minority Teachers
- Nursing
- Hoosier Scholars



# Method: Student Assistance

## HEA/FOC

- 80, 90, 100 percent subsidies
- Tuition and Mandatory Fees x Subsidy Rate –  
Expected Parental Contribution
- Previous year tuition and fees -- \$4,700 cap for FY04
- Highest public previous year tuition and fees and  
lowest appropriation per FTE -- \$9,100 cap for FY04

## 21<sup>st</sup> Century Scholars

- Enter in 7<sup>th</sup> or 8<sup>th</sup> grade
- Free or reduced lunch
- Behavioral and academic requirements





# Method: Capital

## Fee Replacement

- Academic/Administrative projects authorized by the General Assembly
- Student fees collected to cover debt service
- Fees are “replaced” by state appropriations

## Repair and Rehabilitation

- Building R&R derived from formula
- Infrastructure based on 2 percent annual replacement cost



# Beyond FY03: Higher Ed Before DMP

	<u>FY01</u>	<u>%</u>	<u>FY02</u>	<u>%</u>	<u>FY03</u>
Univ. Oper.	\$1,055	3.5	\$1,092	2.4	\$1,118
Technology	\$41	-29.2	\$29	0.0	\$29
SSACI	\$128	8.9	\$139	6.2	\$148
Line Items	\$57	2.3	\$59	0.2	\$59
R&R	\$44	-25.0	\$33	0.0	\$33
Debt Service	<u>\$109</u>	11.2	<u>\$121</u>	-4.4	<u>\$116</u>
Total	\$1,433	2.7	\$1,473	2.0	\$1,502





# Beyond FY03: Higher Ed After DMP

	<u>FY01</u>	<u>%</u>	<u>FY02</u>	<u>%</u>	<u>FY03</u>
Univ. Oper.	\$1,055	-5.0	\$1,001	8.1	\$1,083
Technology	\$41	-100.0	\$0		\$29
SSACI	\$128	8.9	\$139	6.2	\$148
Line Items	\$57	-4.6	\$55	-0.1	\$55
R&R	\$44	-90.8	\$4	-100.0	\$0
Debt Service	<u>\$109</u>	11.2	<u>\$121</u>	-4.4	<u>\$116</u>
Total	\$1,433	-7.8	\$1,320	8.1	\$1,430



# Beyond FY03: 2003-05 Higher Ed Budget

	<b>2002-03 Approp.</b>	<b>2002-03 DMP</b>	<b>2003-04 Total</b>	<b>% Over FY03 Approp.</b>	<b>% Over FY03 Adjust.</b>	<b>2004-05 Total</b>	<b>% FY04</b>
<b>UNIV. OPERATING</b>	<b>\$1,117.7</b>	<b>\$1,112.3</b>	<b>\$1,138.6</b>	<b>1.9%</b>	<b>2.4%</b>	<b>\$1,176.1</b>	<b>3.3%</b>
<b>DEBT SERVICE</b>	<b>\$113.4</b>	<b>\$113.4</b>	<b>\$114.1</b>	<b>0.6%</b>	<b>0.6%</b>	<b>\$110.2</b>	<b>-3.4%</b>
<b>SSACI</b>	<b>\$147.9</b>	<b>\$147.9</b>	<b>\$168.6</b>	<b>13.9%</b>	<b>13.9%</b>	<b>\$188.2</b>	<b>11.7%</b>
<b>UNIV. LINE ITEMS</b>	<b>\$40.2</b>	<b>\$37.3</b>	<b>\$37.7</b>	<b>-6.2%</b>	<b>0.9%</b>	<b>\$37.7</b>	<b>0.0%</b>
<b>OTHER LINE ITEMS</b>	<b>\$20.8</b>	<b>\$18.3</b>	<b>\$15.5</b>	<b>-25.8%</b>	<b>-15.5%</b>	<b>\$15.5</b>	<b>0.0%</b>
<b>TOTAL OPERATING</b>	<b>\$1,440.1</b>	<b>\$1,429.3</b>	<b>\$1,474.4</b>	<b>2.4%</b>	<b>3.2%</b>	<b>\$1,527.7</b>	<b>3.6%</b>
<b>TECHNOLOGY</b>	<b>\$29.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>-100.0%</b>	<b>--</b>	<b>\$0.0</b>	
<b>R&amp;R</b>	<b>\$32.7</b>	<b>\$0.0</b>	<b>\$12.8</b>	<b>-60.8%</b>	<b>--</b>	<b>\$12.8</b>	<b>0.0%</b>
<b>GRAND TOTAL</b>	<b>\$1,501.8</b>	<b>\$1,429.3 *</b>	<b>\$1,487.2</b>	<b>-1.0%</b>	<b>4.1%</b>	<b>\$1,540.5</b>	<b>3.6%</b>





# Beyond FY03: 2003-05 Higher Ed Budget

	INCREASES OVER FY 2003 DMP BASE (\$ in millions)							
	CHE RECS		HOUSE PASSED		SENATE PASSED		AS PASSED	
	FY04	FY05	FY04	FY05	FY04	FY05	FY04	FY05
<b><u>UNIVERSITIES</u></b>								
<b>Enrollment Change</b>	\$29.4	\$39.2	\$19.3	\$28.9	\$15.7	\$27.5	\$19.6	\$35.3
<b>Plant Expansion</b>	\$2.4	\$7.6	\$0.0	\$3.0	\$0.2	\$3.0	\$1.0	\$3.0
<b>Research Support</b>	\$6.2	\$18.4	\$6.2	\$9.3	\$6.2	\$9.3	\$6.2	\$12.3
<b>Base Restoration</b>	\$31.8	\$34.6	\$34.6	\$34.6	\$0.0	\$0.0	\$17.3	\$17.3
<b>Personal Services</b>	\$0.0	\$0.0	\$0.0	\$16.7	\$0.0	\$16.7	\$0.0	\$8.4
<b>Supplies and Expense</b>	\$0.0	\$0.0	\$0.0	\$4.8	\$0.0	\$4.8	\$0.0	\$2.4
<b>Student Aid</b>	\$0.0	\$0.0	\$0.0	\$0.7	\$0.0	\$0.7	\$0.0	\$0.4
<b>Economic Development Programs</b>					\$7.1	\$13.0	\$11.3	\$19.6
<b>Tuition and Fees</b>	\$0.0	\$0.0	\$0.0	(\$11.6)	\$0.0	(\$11.6)	\$0.0	(\$5.8)
<b>\$ INCREASE</b>	<b>\$69.8</b>	<b>\$99.8</b>	<b>\$60.1</b>	<b>\$86.4</b>	<b>\$29.2</b>	<b>\$63.4</b>	<b>\$55.3</b>	<b>\$92.8</b>
<i>Annual Increases:</i>	6.4%	2.6%	5.5%	2.3%	2.7%	3.1%	5.1%	3.3%
<b>Debt Service</b>	\$0.7	\$0.6	\$0.7	(\$3.2)	\$0.7	(\$3.2)	\$0.7	(\$3.2)
<i>(Fully funds debt service requirements not deferred until FY06 )</i>								



# Beyond FY03: 2003-05 Higher Ed Budget

	INCREASES OVER FY 2003 DMP BASE (\$ in millions)							
	CHE RECS		HOUSE PASSED		SENATE PASSED		AS PASSED	
	FY04	FY05	FY04	FY05	FY04	FY05	FY04	FY05
<b><u>SSACI</u></b>								
HEA	\$2.6	\$13.5	\$2.6	\$13.5	\$6.5	\$17.5	\$6.5	\$17.5
FOC	\$0.5	\$2.0	\$4.8	\$6.3	\$6.0	\$7.6	\$6.0	\$7.6
21st C Admin	\$0.0	\$2.5	\$0.0	\$2.5	\$0.0	\$1.5	\$0.0	\$1.5
Other SSAC	\$8.1	\$13.7	\$8.1	\$13.7	\$8.1	\$13.7	\$8.1	\$13.7
<b>\$ INCREASE</b>	<b>\$11.2</b>	<b>\$31.7</b>	<b>\$15.5</b>	<b>\$35.9</b>	<b>\$20.6</b>	<b>\$40.3</b>	<b>\$20.6</b>	<b>\$40.3</b>
<b>University Line Items</b>	<b>\$1.6</b>	<b>\$3.1</b>	<b>\$2.8</b>	<b>\$3.2</b>	<b>\$0.3</b>	<b>\$0.2</b>	<b>\$0.3</b>	<b>\$0.2</b>
<b>Other Line Items</b>	<b>(\$2.4)</b>	<b>(\$1.9)</b>	<b>(\$2.0)</b>	<b>(\$1.9)</b>	<b>(\$2.8)</b>	<b>(\$2.8)</b>	<b>(\$2.8)</b>	<b>(\$2.8)</b>
<b>\$ TOTAL INCREASE</b>	<b>\$80.9</b>	<b>\$133.3</b>	<b>\$77.1</b>	<b>\$120.4</b>	<b>\$47.9</b>	<b>\$97.9</b>	<b>\$74.1</b>	<b>\$127.5</b>
<i>Annual Increases</i>	5.8%	3.6%	5.5%	2.9%	3.4%	3.5%	5.3%	3.6%
<b>R&amp;R</b>	<b>\$47.2</b>	<b>\$51.2</b>	<b>\$12.8</b>	<b>\$12.8</b>	<b>\$16.5</b>	<b>\$16.5</b>	<b>\$12.8</b>	<b>\$12.8</b>





# Beyond FY03: 2003-05 Budget

	CHE Rec.		House Passed		Senate Passed		As Passed	
	FY04	FY05	FY04	FY05	FY04	FY05	FY04	FY05
IUB	\$6.7	\$10.0	\$7.2	\$9.7	\$2.5	\$5.5	\$6.7	\$10.2
IUE	\$0.6	\$0.8	\$0.5	\$0.7	\$0.2	\$0.5	\$0.4	\$0.6
IUK	\$0.4	\$0.5	\$0.4	\$0.6	\$0.1	\$0.2	\$0.3	\$0.4
IUN	\$0.3	\$0.3	\$0.4	\$0.5	(\$0.1)	\$0.0	\$0.2	\$0.2
IUSB	\$1.4	\$1.7	\$1.2	\$1.7	\$0.4	\$0.9	\$1.3	\$1.8
IUS	\$1.4	\$1.7	\$1.1	\$1.6	\$0.5	\$1.0	\$0.9	\$1.4
IUPUI H	\$4.2	\$7.2	\$4.4	\$6.0	\$1.3	\$3.0	\$2.9	\$4.8
IUPUI GA	\$4.2	\$7.9	\$4.3	\$6.0	\$2.7	\$5.1	\$5.5	\$8.6
PUWL	\$9.9	\$18.0	\$9.7	\$14.0	\$3.7	\$9.3	\$8.6	\$15.7
PUC	\$0.8	\$0.8	\$0.8	\$1.1	\$0.0	\$0.3	\$0.4	\$0.6
PUNC	\$0.7	\$0.9	\$0.6	\$0.8	\$0.2	\$0.5	\$0.4	\$0.7
IPFW	\$3.0	\$3.8	\$2.4	\$3.4	\$1.6	\$3.3	\$2.4	\$4.2
ISU	\$2.6	\$2.9	\$2.7	\$3.5	\$0.7	\$2.0	\$2.0	\$3.0
USI	\$2.7	\$3.1	\$1.6	\$3.0	\$0.8	\$2.6	\$2.2	\$3.2
BSU	\$6.4	\$8.2	\$5.9	\$8.2	\$2.6	\$6.0	\$4.7	\$7.7
VU	\$3.5	\$4.4	\$2.2	\$3.4	\$1.8	\$3.8	\$2.6	\$4.8
ITSC	\$21.0	\$27.6	\$14.6	\$22.3	\$10.1	\$19.4	\$14.0	\$25.0
TOTAL	\$69.8	\$99.8	\$60.1	\$86.4	\$29.2	\$63.4	\$55.3	\$92.8





# Beyond FY03: 2003-05 Capital

	<b>CHE Rec</b>	<b>Conference Committee</b>	
	<b>Bonded</b>	<b>Bonded</b>	<b>Cash</b>
IU Research Facility	32,000,000		
IUB Multidisciplinary Science II		31,872,000	
IUPUI Research Institute III		33,333,333	
IUPUI Information Sciences		15,000,000	
IUSB Land Acquisition		2,000,000	
PUWL Millenium Engineering	24,000,000	36,000,000	
PUWL Biomedical Engineering		13,000,000	
IPFW Music Building		19,000,000	
IPFW Medical Building		14,000,000	
IPFW NE Indiana Innovation Center			5,000,000
ISU University Hall Renov. and Bus. School A&E	2,240,000	2,240,000	
USI Library	25,000,000	29,084,830	
BSU Communication Building A&E	1,470,000	21,000,000	
VU Jasper New Academic Building		4,320,000	
ITSC Richmond Ph. II	8,780,000	8,780,000	
ITSC Indy/Lawrence Roosevelt	10,000,000	10,000,000	
ITSC Valpo New Campus Ph. I	15,843,000	15,843,000	
ITSC Madison A&E	826,000	826,000	
ITSC Evansville Ph. II		18,158,000	
ITSC Portage A&E		275,000	
ITSC Marion A&E		250,000	
	<b>120,159,000</b>	<b>274,982,163</b>	<b>5,000,000</b>





# Beyond FY03: 2003-05 Capital

<u>Biennium</u>	<u>Request</u>	<u>CHE Rec</u>	<u>As-Passed</u>
2003-05	\$618 M	\$120 M	\$280 M
2001-03	\$455 M	\$204 M	\$268 M (includes \$25 M 2002)
1999-01	\$485 M	\$188 M	\$264 M
1997-99	\$399 M	\$174 M	\$189 M
1995-97	\$328 M	\$154 M	\$164 M
1993-95	\$363 M	\$0	\$0
1991-93	\$287 M	\$0	\$226 M



# Beyond FY03: Revenues

	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
\$ Forecast Revenue	9,142.7	9,052.0	8,708.8	9,875.5	10,692.5	11,192.3
\$ Increase		-90.7	-343.2	1,166.7	817.0	499.8
\$ Approps & Expend	9,728.7	10,187.6	10,308.9	11,075.8	11,288.8	11,513.8

Sources: SBA close-out statements, SBA 2003-05 As-Passed Book





# Beyond FY03: Spending Cap

- FY04 and FY05, 3.5% increase over adjusted FY03 appropriations base
- No function-by-function or agency-by-agency mandate
- Beyond FY05, tied to increase in Indiana non-farm personal income growth
- Can be adjusted for new legislation that increases or decreases taxes and fees

